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RUEATRS/DEPT OF TREASURY WASHDC
RHEBAAA/DEPT OF ENERGY WASHDC
RUEHC/DEPT OF LABOR WASHDC
RUEHRC/DEPT OF AGRICULTURE WASHDC
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RHMFIISS/HQ USAFRICOM STUTTGART GE
RUZEJAA/JAC MOLESWORTH RAF MOLESWORTH UK

UNCLAS SECTION 01 OF 05 ABUJA 000714

SENSITIVE
SIPDIS

DEPARTMENT PASS TO USTR-AGAMA
BAGHDAD FOR DMCCULLOUGH
DOE FOR GPERSON, CHAYLOCK
LABOR FOR SHALEY
USDA/FAS/OTP FOR MCKENZIE
USAID/AFR FOR ATWOOD

E.O. 12958: N/A

TAGS: [PGOV](#) [ECON](#) [ELAB](#) [EPET](#) [FFIN](#) [EAGR](#) [KDEM](#) [NI](#)
SUBJECT: NIGERIA: BI-WEEKLY POL/ECON UPDATES FOR APRIL 1-17, 2009

REF: ABUJA 0532

¶1. (U) The following is a joint Embassy Abuja, ConGen Lagos compilation of April 1-17 political/economic highlights, which did not feature in our other reporting, covering:

--Politics
--2011 Elections
--Human Rights and TIP
--Labor
--Environment and Health
--Corruption and Crime
--Oil, Gas, and Power
--Delta Incidents

Politics

¶2. (U) CANADIAN HOSTAGE IN KADUNA: On April 16, Canadian citizen Julie Ann Mulligan was abducted by armed men in the northern city of Kaduna. Mulligan, 45 years old, was one of five Canadians in the country on a Rotary exchange when armed men ambushed the vehicle she was traveling in. According to press reports, the kidnappers have demanded a 20 million naira (\$136,000) ransom in exchange for her release. They kidnappers also alleged that Mulligan was extremely ill, but the status of her health has not yet been confirmed. Although kidnappings are a common occurrence in the Niger Delta region, this is the first kidnapping in the Northern part of the country.

¶3. (U) NEW GBONG GWOM JOS: Jacob Buba Gyang has been appointed as the new Gbong Gwom Jos (a traditional ruler of the Berom Kingdom in Plateau State). He succeeds the late Da Victor Pam who died on March 7. Gyang is from the Du district of Jos South and is in his late fifties. Shortly after his appointment, on April 9, the Gbong Gwom made news headlines again when the House of Representatives threatened to arrest the Gbong Gwom, and other former officials of the Nigerian Customs Service (NCS) over their refusal to send documents to the Committee on Customs for their investigation of the establishment. (Note: Gyang is the immediate past Comptroller-General of the Nigerian Customs Service who left the office in 2007. End Note.) The committee chairman, Representative

Yakubu Dogara, said that the stakeholders have until April 16 to make their submissions and the committee will not hesitate to invoke laws compelling the stakeholders to respond.

¶4. (U) COUNCIL TO REINVIGORATE NIGERIA'S FOREIGN POLICY: On April 16, President Yar'Adua inaugurated a six-man Honorary Presidential Advisory Council on International Relations which he established to "reinvigorate" Nigeria's foreign policy process "in the light of prevailing realities in today's increasingly complex world". The Council is chaired by former Commonwealth Secretary-General and Minister of Foreign Affairs, Chief Emeka Anyaoku.

2011 Elections

¶5. (U) "MEGA-PARTY" HOLDS SECOND MEETING: The newly formed opposition "mega-party" held a second meeting in Lagos on April 7. Buba Galadima, who attended the meeting as a representative of General Muhammadu Buhari, former head of state and All Nigeria Peoples Party presidential candidate in the 2003 and 2007 elections, told Poloff on April 17 that participation in the party is growing. However, apart from a general consensus of a need to stand firm against criticism by the People's Democratic Party (PDP), Galadima did not have any other progress to report. He said that the group will meet again in May (most likely in Abuja) to determine the party's name, logo, etc.

¶6. (U) PDP ENDORSES PLATEAU GOVERNOR FOR 2011: On April 14, the PDP in Plateau State endorsed Governor Jonah Jang for a second term in office, despite criticism over his handling of the November 2008 violence in Jos. According to a statement by Commissioner of Commerce and Industry, Na'Allah Mutbam, no one would be stopped from

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running for governor in 2011, but he added that there is "no vacancy" for the seat.

Human Rights and TIP

¶7. (U) HRR IN TELL MAGAZINE: The cover story of the April 20 edition of the local TELL Magazine was titled "Nigeria: Great Nation, Poor Human Rights" and highlighted much of the 2008 U.S. Human Rights Report released in March. The article also suggests that the recent "redeployment" of the National Human Rights Commission Executive Secretary, Kehinde Ajoni (ref A) was a result of her agency's coordination with the "scathing" USG report. The article indicated that Ajoni's honest assessment of Nigeria's human rights situation during the GON's Universal Periodic Review at the UN Human Rights Council in February was the "straw that broke the camel's back" after Attorney General and Minister of Justice Michael Aondoakaa attempted to defend and downplay accusations. Aondoakaa recalled Ajoni back to the Ministry of Justice on March 19 and replaced her with Roland Ewubare, a close personal associate of his.

¶8. (U) TIP LAW NEEDS AMENDMENT SAID NEW EXEC SEC: On April 8, the National Agency for the Prohibition of Trafficking in Persons (NAPTI) held its 14th Annual Stakeholders Consultative Forum in Abuja. NAPTI's new Executive Secretary, Simon Egede, announced that the federal government was considering another amendment to the 2003 Trafficking in Persons Law Enforcement and Administration Act, which was already amended in 2005 to increase penalties for traffickers. Egede said that the Act is "inadequate" to prosecute newer forms of TIP-related crimes that have emerged since the Act was previously amended. He hopes the changes will provide a "more comprehensive legal framework to fight TIP and forced labor."

Labor

¶9. (U) DEREGULATION: LABOR AND CIVIL SOCIETY TO STAGE MAY 1 MASS RALLY: Vanguard reported on April 20 that General Secretary of the Nigeria Labour Congress (NLC) John Odah announced that the Labor and Civil Society Coalition (LASCO), along with its other civil society partners, were threatening to hold a nationwide strike on May 1. The groups plan to hold a mass rally to protest the deregulation of the "downstream sector" of the petroleum industry, which they fear will end Nigeria's current system of subsidized pricing for gasoline. Odah stated that organized labor is determined to resist

the government planned deregulation.

Environment and Health

¶10. (U) GON IMPOSES FINE ON SHELL OVER OIL SPILL: According to press reports, on April 14, the Nigerian National Oil Spill Detection and Response Agency (NOSDRA) imposed a one million naira (\$6,667) fine on the Shell Petroleum Development Company (SPDC) for "its careless handling of oil spillage in the Southern Ijaw Local Government Area of Bayelsa State." The spill took place on September 26, 2008 and resulted in a fire that damaged adjacent farmlands. In addition, Shell was directed to clean-up and restore the affected sites. NOSDRA also stated that it will conduct a damage assessment to determine whether direct compensation to the victims is warranted.

¶11. (U) PRESIDENT APPROVES PLAN TO CLEAN-UP OGORILAND IN RIVER STATE: According to press reports, on April 16, President Yar'Adua approved a technical plan for cleaning-up sites damaged by oil spills in the oil-rich Ogoni Local Government Area in Rivers State. The plan was developed by a Presidential Technical Committee composed of the Nigerian National Oil Spill Detection and Response Agency (NOSDRA), the United Nations Environmental Program, Shell Petroleum Development Company (SPDC) and representatives of the Ogoni community. As a first step, an assessment will be conducted to determine the extent of oil pollution, which will be followed by clean-up and restoration efforts. The leader of the Movement for the Survival of Ogoni People, Ledum Mitee told the media that he hoped "Shell will honor its commitment made before President

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Yar'Adua, as the company had made similar commitments in the past but failed to implement them." The clean-up project, estimated to cost a \$10 million, is to be jointly financed by Shell and the GON.

¶12. (U) NIGERIAN SENATE HOLDS WORKSHOP ON BUSHFIRES: On March 31, ESTOff attended the Nigerian Senate Committee on the Environment's one-day workshop on "Bushfire Prevention and Control in Nigeria." The workshop was held in collaboration with the Fire Disaster Prevention and Safety Awareness Association of Nigeria (FDPSAAN), a local nongovernmental organization. According to several speakers, bushfires (local name for brushfires) are primarily a result of deliberate acts to clear land for cultivation, reinvigorate animal pasture, and aid in hunting (particularly bush meat). To a lesser extent, lightning and pipeline vandalism were identified as contributors. Bushfire, apart from causing loss of life and property damage in rural communities, destroys natural forests and wildlife habitat and contributes significantly to erosion and desertification. The workshop, inaugurated by the President of the Nigeria Senate David Mark and attended by the Minister of Environment John Odey, brought needed attention to the widespread problem, as well as its impact on life, property, the environment, and food security. Participants concluded by calling for increased public sensitization and national legislation on bushfire.

¶13. (U) KANO CITY UNAVAILS PLAN TO BETTER MANAGE MUNICIPAL WASTE: The northern Nigerian city of Kano, with over nine million residents, produces 2,000 tons of garbage daily, but sanitation workers there can handle only 800 tons. The rest is piling up on the streets and highways posing serious environmental and health risks to city residents, according to city officials. The city has increased its workforce from 3,000 to 3,602 and added fifty trucks and equipment to its fleet. In addition, the city plans to launch a public education program to sensitize residents to change their attitudes and involve them in clean-up efforts. The State is also awaiting approval of new regulations, which will give more teeth to the Kano State Waste Management Commission's enforcement authority.

¶14. (U) THE EUROPEAN COMMISSION ALLOCATES 4.7 MILLION EUROS TO TACKLE MENINGITIS: According to press reports, the European Commission (EC) donated 4.7 million euros (\$6.1 million) to support anti-meningitis efforts in Nigeria and Niger as part of its plan to contain the spread of the disease in West Africa. The fund would be used to provide treatment for those already affected by the disease. The EC said the epidemic had already claimed 1,840 lives in the

region, out of which 1,161 were Nigerians.

¶15. (U) ERADICATION OF POLIO AN ACT OF INTERNATIONAL CITIZENSHIP: During the 52nd meeting of the Nigerian National Council on Health held in Kano in Northern Nigeria on April 5-6, the Nigerian Minister of Health Babatunde Osotimehin stated that Nigeria has a "long way to go in disrupting the transmission of polio." The minister added that "it has become worrisome that we have become exporters of the disease to our neighbors, and besides the global concern, Nigerian children continue to be paralyzed by the virus." In 2008, 806 Nigerian children were paralyzed by polio, nearly three times the figure from 2007. (Note: So far in 2009, at least 68 Nigerian children have been affected and 18 of them paralyzed. End Note). He lamented the spread of the disease to the south of the country and the minimal progress against the disease in the north. Minister Osotimehin lauded the improved efforts of the GON and its partners and encouraged governments and communities to strengthen their partnerships, "as eradicating polio is an act of international citizenship."

¶16. (U) 5,157 KILLED IN ROAD ACCIDENTS SINCE 2005: According to the Corps Marshal of the Federal Road Safety Commission, Osita Chidoka, accidents involving tractor-trailers, including tankers, resulted in 5,157 deaths and 13,251 injuries in the past three years.

Corruption and Crime

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¶17. (U) POLICE REFORM PANEL RECOMMENDATIONS TO BE IMPLEMENTED: According to March 31 press reports, President Yar'Adua approved the implementation of 250 out of 400 recommendations he received from the Police Reform Panel, which submitted its report in December 2008. The article also noted that Minister of Police Affairs, Dr. Ibrahim Yakubu Lame, said the GON will spend 2.8 trillion naira (\$19 billion) over the next five years on implementation of the recommendations.

Oil, Gas, and Power

¶18. (SBU) NNPC FOCUSES ON INCREASED REVENUE BASE: In a meeting on April 8, 2009 with the new Group Managing Director (GMD) of Nigerian National Petroleum Corporation (NNPC), Mohammed Barkindo told AIDOff and EconCouns that the corporation's short term focus was to secure a strong revenue base that could incubate its plans for medium and long term objectives. Barkindo shared that in the current revamping of the oil and gas industry the plan for upstream development would involve increased crude production and reserves as well as the development and implementation of gas investment strategies to address gas flaring. The corporation's short term plan was to rebuild the organization by growing production by an annual rate of 20%; upgrade the quality of Nigerian Petroleum Development Company (NPDC) professionals; upgrade the infrastructure and technology; enhance processes and systems; continue capacity development; and establish and implement MOUs with host communities with a view to having uninterrupted operations. According to Barkindo, the short term initiative will lead to increased performance of investments in existing oil fields. In downstream operations, Barkindo said the refineries were being positioned to increase their respective refining capacity from 40% in 2009 to 80% in 2011 with the Kaduna Refining and Petrochemical Company (KRPC) budgeted for a major overhaul this year and both the Port Harcourt Refining Company (PHRC) and Warri Refining and Petrochemical Company (WRPC) for overhaul next year. Barkindo also shared that NNPC would invest in power and would work to become an energy business even as it strived to invest in renewable energy and that NNPC was positioning itself to invest in the unilateral/ bilateral Clean Development Mechanism projects.

¶19. (SBU) POWER PLANTS' OUTPUT DROPS: Two Nigerian executives, one heading the local office of a major American industrial product manufacturer and one heading the power generation division of a Nigerian energy company, independently told Energyoff on April 14 that during the week prior output from Nigeria's power plants had fallen to 500MW per day. They blamed the drop in generating levels on a disruption of the supply of natural gas to the Egbin power

station in Lagos State plus seasonal drops in power output from hydroelectric power plants.

¶20. (SBU) GON TO ACCEPT BIDS FOR NATURAL GAS PLANTS: On April 14, an executive with the Nigerian company Global Energy said that his was one of fifteen companies that pre-qualified to submit bids to build and operate three natural gas central processing facilities planned by the Nigerian government under its Gas Master Plan. The list of pre-qualified bidders included several international oil companies already operating in Nigeria, plus new entrants GAZPROM, E.ON Ruhrgas, Centrica, and Thai, Italian, and Spanish utility companies among others. Global Energy will partner with the American company Exterran on its bid. The Global Energy executive expected that construction on the multi-billion dollar projects would not start until 2013 at the earliest. An ExxonMobil official told Energyoff that his company did not apply to be one of the pre-qualified bidders, but the GON has indicated the company will be "allowed" to bid anyway. The GON is hosting a conference with pre-qualified bidders in Abuja in late April to discuss the mechanics of the bid process.

¶21. (SBU) PETROLEUM INDUSTRY BILL LINGERS IN NASS: A senior Nigerian National Petroleum Corporation (NNPC) official told Lagos Econoffs on April 14 that recent changes in senior company officials were routine and not necessarily tied to a planned restructuring of the

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company. Later however, he said that NNPC chief Mohammed Barkindo was being careful not to be seen to be starting reforms before the National Assembly had approved implementing legislation. He described the relationship between the Ministry of Petroleum Resource/NNPC and the National Assembly as "tense." He went on to say that President Yar'Adua was engaged in getting the Petroleum Industry Bill quickly passed by the legislature, but he acknowledged that the National Assembly only worked on the bill in spurts, with its attention often drawn elsewhere and the bill set aside.

Delta Incidents; No AMCITS Involved

¶22. (U) BRITISH CITIZEN TAKEN HOSTAGE: On April 4, a British citizen was abducted from a hotel bar in Port Harcourt. His body guard was killed in the incident. The hostage is still being held.

¶23. (U) BOAT ATTACKED AND DESTROYED: According to the media, a houseboat used for laying pipelines by Agip contractor DAEWOO Nigeria Ltd was attacked and destroyed in the Igbomotoru region of Delta State on April 6. No casualties were reported in the attack.

¶24. (U) JTF REPORTEDLY KILL 14: On April 10, the JTF allegedly killed 14 militants by sinking six speed boats on Okilo Creek near Igbomotoru River, Bayelsa State.

¶25. (U) NAVY THWARTS ATTACK ON SHELL FLOW STATION: On April 11, an attack on a Shell logistic (flow) station in Nembe Creek region, Bayelsa State, was repelled by the Nigerian Navy, according to a JTF spokesman and press reports. At least two naval sailors were reported killed and four captured (according to OSAC sources); several (2-4 depending on the source) boats, possibly including one vessel with off-shore capability, were also seized by the militants. JTF spokesmen claimed the attack was in retaliation for their successful operation on April 10 in Igbomotoru.

¶26. (U) BRITISH HOSTAGE RELEASED: On April 19, MEND released Robin Barry Hughes, one of two British hostages that were kidnapped in the Niger Delta on September 9, 2008. MEND issued a statement via email citing age and health reasons for the release and added that no ransom was collected.

SANDERS